

State of South Dakota

EIGHTY-FIRST SESSION LEGISLATIVE ASSEMBLY, 2006

843M0243

SENATE BILL NO. 108

Introduced by: Senators Greenfield, Apa, Gant, Hansen (Tom), and Koskan and
Representatives Nelson, Fryslie, Haverly, and Rausch

1 FOR AN ACT ENTITLED, An Act to revise certain provisions defining employer contributions
2 that are not deemed to be wages.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 61-1-32 be amended to read as follows:

5 61-1-32. As used in this title, ~~unless the context otherwise requires,~~ the term, "wages", does
6 not include the amount of any payment with respect to services performed on behalf of ~~an~~
7 ~~individual~~ any person in its employ under a plan or system established by an employing unit
8 which makes provision for ~~individuals~~ persons in its employ generally or for a class or classes
9 of ~~individuals~~ persons including any amount paid by an employing unit for insurance on
10 annuities, or into a fund, to provide for any payment on account of:

- 11 (1) Sickness or accident disability. However, in the case of payments made to an
12 employee or any one of ~~his~~ the employee's dependents, this subdivision ~~shall exclude~~
13 excludes from "wages" only payments received under a worker's compensation law;
- 14 (2) Medical or hospitalization expenses in connection with sickness or accident
15 disability; ~~or~~



- 1 (3) Death; or
- 2 (4) Retirement or pension if the payment is made pursuant to a qualified plan as provided
- 3 in 26 U.S.C. §§ 401(k), 403b, 408(k) and 457 as of January 1, 2006.